

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office..... JUL 24 1992

Returned to applicant for correction.....

Corrected application filed.....

Map filed..... AUG 10 1992 under 57885

The applicant D. Henry Reed, as Project Engineer for Pinson Mining Company

P.O. Box 129

Street and No. or P.O. Box No.

, of Winnemucca

City or Town

Nevada 89446-0129

State and Zip Code No.

, hereby make ^S application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.).....

1. The source of the proposed appropriation is Underground
Name of stream, lake, spring, underground or other source

2. The amount of water applied for is 0.5 second-feet
One second-foot equals 448.83 gals. per min.

(a) If stored in reservoir give number of acre-feet.....

3. The water to be used for mining, milling and domestic (dewatering)
Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.

4. If use is for:

(a) Irrigation, state number of acres to be irrigated.....

(b) Stockwater, state number and kinds of animals to be watered.....

(c) Other use (describe fully under No. 12. "Remarks").....

(d) Power:

(1) Horsepower developed.....

(2) Point of return of water to stream.....

5. The water is to be diverted from its source at the following point NW $\frac{1}{4}$, Section 5, T.37N., R.42E.,
Describe as being within a 40-acre subdivision of public
M.D.B.&M., or at a point from which the NW corner of (See Item #12) said
survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.
Section 5 bears N. 43° 12' 58" W., 1,900 feet.

6. Place of use N $\frac{1}{2}$ Section 5, T.37N., R.42E.; S $\frac{1}{2}$ Section 27 NW $\frac{1}{4}$ Section 28, S $\frac{1}{2}$
Describe by legal subdivision. If on unsurveyed land, it should be so stated.
Section 28, S $\frac{1}{2}$ Section 32, all of Section 33, T.38N., R.42E., M.D.B.&M.

7. Use will begin about January 1 and end about December 31, of each year.
Month and Day

8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) To drill, case and seal well; pump and
totalizing flowmeter will discharge State manner in which water is to be diverted, i.e. diversion structure, ditches and
water into pipeline, conveying water to storage tank for distribution.
flumes, drilled well with pump and motor, etc.

9. Estimated cost of works.....\$80,000

10. Estimated time required to construct works.....Two (2) years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use.....Three (3) years

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use:

(See Attached Sheet)

Compared.....bc/bc.....cl/cms

By s/D. Henry Reed, Project Engineer
for Pinson Mining Company, P.O. Box 129
Winnemucca, NV 89446-0129

Protested.....

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit will allow for the dewatering of the pit area. Any water obtained as a result of the dewatering operation shall be used by the permittee for
(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed.....0.5.....cubic feet per second....., but not to exceed 73.0
acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before.....November 5, 1998

Proof of completion of work shall be filed before.....December 5, 1998

Application of water to beneficial use shall be filed on or before.....November 5, 1999

Proof of the application of water to beneficial use shall be filed on or before.....December 5, 1999

Map in support of proof of beneficial use shall be filed on or before.....N/A

Completion of work filed.....

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.
State Engineer of Nevada, have hereunto set my hand and the seal of my

Proof of beneficial use filed.....

office, this.....9th.....day of.....September.....

Cultural map filed.....

A.D. 1997

Certificate No. Issued.....

Michael Turnipseed P.E.
State Engineer

Port 64441-T 0.25
Abrogated by 62084-T 0.25 8/28/98
Port 64441-T 0.25
WITHDRAWN BY APPLICANT
Agate
NOV 28 2001
J. Ricci, P.E. STATE ENGINEER
(0)-2145 (Rev. 8-89)

(PERMIT TERMS CONTINUED)

mining, milling, heap leaching, drilling, road watering and other related mining and milling uses hereinafter referred to as mining and milling uses within the described place of use of this permit.

The State Engineer retains the right to regulate pumping from the dewatering project and/or groundwater withdrawals herein authorized to protect the public interest and existing rights. This permit is issued under the provisions of NRS 534.120(2) as a preferred use.

The total combined duty of water under Permits 43130, Certificate 13070; 48037, Certificate 14221; 51388, Certificate 14222; 51390, Certificate 14223; 51427, Certificate 14224; 52464, Certificate 14225; 56977; 57881; 57885; 57887; 57891 and 63084-T shall not exceed 1,149.0 acre-feet annually.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands. The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies and is specifically issued contingent upon approval by the Nevada Division of Environmental Protection of the dewatering project.

This permit also incorporates the provisions of "Order Adopting Rules For Well Spacing and Modification of Regulations For Water Well and Related Drilling In the Northern Portion of the Designated Kelley Creek Groundwater Basin (4-66)" entered December 30, 1993, Order 1087, on filed in the office of the State Engineer.

Measurements of the following shall be kept monthly: (A) The amount of water pumped from each well, (B) The amount of water used for mining and milling purposes, and (C) The measurement of pumping water level (drawdown) from each well. These records will be submitted to the State Engineer within 10 days from the end of each month.

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Applicaton Item #12, Remarks:

This application is part of a request for a water well "blanket" permit consisting of eight (8) 160 acre, 1/4 section parcels. The 8 parcels are located in the NE 1/4 Section 5, NW 1/4 Section 5, Township 37 North, Range 42 East; SE 1/4 Section 28, SW 1/4 Section 28, SE 1/4 Section 32, SW 1/4 Section 32, NE 1/4 Section 33, NW 1/4 Section 33, Township 38 North, Range 42 North; M.D.B. & M.

The blanket permit would include existing permits numbered 43130, 51388, 51390, 51427, 51429, 52464, 54263 and 56977. The issuance of this permit as part of a blanket permit will allow continued dewatering of the existing Mag pit and provide for safe and more efficient operation of future open pits(s).

The total diversion rate for the existing permits and the 8 proposed parcels combined as a blanket permit shall not exceed 17 cfs, or 4,010.7 million gallons per year. It is further requested that this amount may be pumped from any number of wells located within the blanket permit area, with more than one well potentially drilled in each 160 acre, 1/4 section parcel applied for.

A totalizing and instantaneous flow meter shall be installed on each well that is pumping water. The water will be used for pit dewatering, mining, milling and domestic purposes. Excess water from the dewatering system will be discharged in a manner consistent with State regulations.

An annual report would include the number and location of existing wells, individual pumping rates, the collective pumping rate, rates of drawdown and consumption rate. The annual report would be submitted to the State Engineer's office on or before January 20th of each year.